

**CONSUMER FINANCIAL PROTECTION BUREAU
INFORMATION COLLECTION REQUEST – SUPPORTING STATEMENT**

**Supporting Statement for Consumer Complaint Intake System Company Portal Boarding Form
Information Collection System**

(OMB CONTROL NUMBER: 3170-00XX)

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Terms of Clearance

Not applicable. This is a request for a new OMB control number.

Abstract

The Dodd-Frank Wall Street Reform and Consumer Protection Act, Public Law 111-203, Title X, provides for CFPB's consumer complaint handling function. Among other things, the CFPB is to facilitate the centralized collection of, monitoring of, and response to complaints concerning consumer financial products and services. To support the appropriate routing of complaints to the companies that are the subjects of the complaints, the CFPB is developing a form which will allow companies to proactively participate in the CFPB's Company Portal (Company Portal), a secure, web-based interface between the CFPB's Office of Consumer Response (Consumer Response) and companies. The Company Portal allows companies to view and respond to complaints submitted through the CFPB's complaint handling system. Many companies have sought to register with the Company Portal before consumer complaints have been submitted to the CFPB about their companies to ensure early notice of potential complaints and allow companies' users to acclimate to the software and security protocols needed to access the Company Portal. The CFPB's proposed Form, the Company Portal Boarding Form (Boarding Form), will serve to streamline information collection from these companies, result in a greatly enhanced and efficient experience from both the consumers and companies' perspectives.

A. Justification

1. Circumstances Necessitating the Data Collection

Following the receipt of a consumer complaint, Consumer Response verifies the identity of the company that is the subject of the complaint prior to sending the complaint to the company. Post-complaint submission gathering of information from a company that is specifically named by a complainant in order to review the submitted complaint has not presented PRA concerns as a collection of information obtained during an agency complaint investigation.¹ However, the current approach to collecting company information, which is triggered by a consumer complaint submission, does not take into account companies who wish to proactively join the Company Portal to facilitate early notice of complaint submissions, before any complaint has been submitted against them. These companies understand that by enrolling in the Company Portal proactively, they can greatly reduce the time required to access and respond to their first consumer complaint because the needed Internet website link, software, and

¹ 44 U.S.C. § 3518(c)(2); 5 C.F.R. § 1320.4(b).

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security protocols will have already been established. The CFPB's consumer complaint intake system Company Portal Boarding Form (Boarding Form) will serve to streamline information collected from respondent companies, resulting in a greatly enhanced and efficient consumer experience.

The Company Portal Boarding Form will be used to collect information from companies that will help identify the correct company to include organization information, identification of company representatives, affiliate relationships, licensure, business identification numbers and consumer market presence. Moreover, companies are encouraged to voluntarily provide their logos to help consumers identify companies through brand recognition.

2. Use of the Information

Information collected from companies completing the Boarding Form will support due diligence authentication of company identity, inform complaint processing, and give companies' users secure web portal access to complaint information.

3. Use of Information Technology

The CFPB has created, and will continue to improve, a system that provides companies and their representatives with the ability to submit their complaints electronically, and give companies' authorized users secure web portal access to complaint information. The CFPB will use enhancements such as drop down menus and error checks when possible to minimize burden.

The currently proposed Boarding Form provides a comprehensive list of questions to be posed to companies' representatives through collections that will be primarily mail-in (paper), facsimile, and web-based. The form of questions will include open-ended and closed-ended (e.g., multiple choice) along with free-form text boxes.

4. Efforts to Identify Duplication

This information collection request does not seek to duplicate any other form being developed by other Federal or State agencies. The information collections proposed will improve the processing of individual consumer complaints and inquiries. The CFPB strives to integrate cutting-edge technology to make the process efficient and user-friendly for companies.

5. Efforts to Minimize Burdens on Small Entities

Some small businesses and other small entities may be involved in the proposed information collections. For instance, a small business engaging in offering or providing a consumer financial product or service or hired by a large financial institution to help process consumer complaints may choose to enroll voluntarily in the Company Portal with the idea of

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future use of the Company Portal to view consumer complaints. However, all of the information collections proposed under this request are voluntary and are not anticipated to burden small businesses significantly. The CFPB will minimize any burden by requesting readily available information and using the easy-to-complete proposed Boarding Form.

6. Consequences of Less Frequent Collection and Obstacles to Burden Reduction

The collection of complaints from consumers and crafting appropriate agency responses are the primary functions of the CFPB under section 1021(c)(2) of the Dodd-Frank Act.² The submission of company information by companies and their representatives using the Boarding Form will be voluntary. If the proposed Boarding Form collections are not conducted, the CFPB will not be able to maximize the efficiency of complaint handling in partnership with proactive companies. The Bureau is directed by the Dodd-Frank Act to “establish... reasonable procedures to provide a timely response to [consumer complaints] against, or inquiries concerning” companies.³

7. Circumstances Requiring Special Information Collection

There are no special circumstances. The collection of information is conducted in a manner consistent with the guidelines in 5 C.F.R. § 1320(5)(d)(2).

8. Consultation Outside the Agency

The CFPB submitted the Company Boarding Form to be piloted under the Generic Clearance in November 2014. OMB provided approval to pilot the Company Boarding Form for a six month period. The CFPB has incorporated changes it learned during the course of this pilot period into the new form.

On December 4, 2014, the CFPB published a Notice and Request for Comment (“the notice”) on the proposed Boarding Form. In accordance with 5 CFR 1320.5(a)(1)(iv), the Bureau has published a notice in the Federal Register allowing the public 30 days to comment on the submission of this information collection request to the Office of Management and Budget.

The Bureau received 5 comments in response to the notice, 4 of which were responsive. Comments included the following entities: The Association of Credit and Collection Professionals (ACA International); CashAmerica International Inc.; American Land Title Association; and American Financial Services Association. The commenters were generally supportive of this type of information collection. Several commenters stated that the Boarding Form would make the consumer complaint handling process more streamlined and efficient. Commenters also indicated that this information would ensure that complaints are routed to the appropriate companies.

² Codified at 12 U.S.C. § 5511(c)(2).

³ 12 U.S.C. § 5534(a).

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Commenters stated that companies should not be required to list every subsidiary or affiliate, particularly those who do not provide consumer financial products or services. The Bureau asks that companies only list subsidiaries and affiliates that provide consumer financial products or services, and whose businesses would impact CFPB's routing of consumer complaints.

Several commenters stated that the Boarding Form should be revised to only require basic questions that are essential to routing complaints to companies. These commenters suggested that information that goes beyond these basic questions, including providing a point of contact at the parent company; the tax ID and state license information for the company's subsidiaries and affiliates; and the name of the individual for which the license is registered; should be categorized as optional. Currently, the CFPB only requires information that would allow it to authenticate companies and route consumer complaints to them. The information that is cited by these commenters is essential to routing consumer complaints to companies. The Bureau uses this information to authenticate and validate companies to ensure that they receive complaints that are actually meant for them. The Bureau uses industry standards for business-to-business authentication to determine what information is required on the Boarding Form. Gathering this information decreases the operational burden to companies by ensuring that they only receive complaints that are meant for them.

One commenter voiced concerns about its ability to inform the CFPB of on-going business identity fraud. The Bureau has established processes for companies who experience business identity fraud. For example, if a company receives a complaint that is the result of fraud, it has the option of sending the complaint back to the CFPB with an administrative response. This administrative response allows the company to provide a substantive explanation of the fraud to the CFPB. One commenter also inquired as to whether the CFPB would provide training on how to fill out the Boarding Form. The CFPB provides companies with clear instructions on how to fill out the Boarding Form. The Bureau also provides on-going support for companies who have questions about the boarding process. Additionally, companies can seek further guidance by sending questions to CFPB_StakeholderSupport@cfpb.gov.

CashAmerica suggested that they would like an opportunity to add additional information to the Boarding Form, including (1) a place for businesses to list different licenses for various products that they have in different states and (2) the ability to provide multiple logos for companies that operate with more than one. The Bureau agrees with these comments, and asks that these companies provide this additional information as attachments to the Boarding Form. Several commenters also noted that the list of company products in Section E, Question 21, is too restrictive. These commenters suggested that a box for "other" should be included, with an opportunity to write in the primary product. The CFPB agrees with these commenters, and in response to these comments, has added an "other" category to the list of primary products that companies can choose from. Furthermore, the CFPB has changed the question and now instead asks companies to choose as many products as applicable to their business. This is to ensure that companies with several different products can correctly and easily fill out the Boarding Form.

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American Financial Services Association (“AFSA”) inquired as to whether companies that have already boarded need to re-register using the new Boarding Form. The Bureau plans to periodically update the information for all companies over time. This will involve re-sending the Boarding Form to ensure that complaints are routed to the appropriate company. AFSA also inquired as to what happens if a company does not provide either all or parts of the information on the Boarding Form. In instances where all the required information is not provided on the Boarding Form, the Bureau will follow up with the company to ensure that it has had an opportunity to provide the necessary information needed to board. Companies that fail to provide all the required information on the Boarding Form will not be boarded onto the company portal, and will not receive consumer complaints that are filed against them.

Comments received in response to the above referenced 60-day Federal Register notice are available on regulations.gov at <http://www.regulations.gov/#!docketDetail;D=CFPB-2014-0032>

9. Payments or Gifts to Respondents

The proposed information collections do not provide any payment or gift to respondents.

10. Assurances of Confidentiality Provided to Respondents

All information collection activities will conform to the requirements for the protection of the confidentiality of nonpublic information and personally identifiable information and for data security and integrity set forth in federal privacy laws, including the CFPB’s rules (12 C.F.R. §1070 et seq.) and the Privacy Act (5 U.S.C. § 552a).⁴ At the point of information collection, individuals will be provided with the CFPB’s Privacy Act statement. The CFPB will implement the appropriate security measures to ensure data is safeguarded including the use of locked file storage, confidentiality stamping, restricted system access, data encryption, restricted print options and disposal by cross-cut shredding.⁵ The Company Portal system will be fully compliant with the Federal Information Security Management Act of 2002 with the security category of “High, Moderate, Low.”

11. Justification for Sensitive Questions

⁴ For the related System of Record Notice (SORN), see <https://www.federalregister.gov/articles/2014/04/16/2014-08555/privacy-act-of-1974-as-amended>

⁵ The E-Government Act of 2002, Section 208, establishes the requirement for agencies to conduct privacy impact assessments (PIAs) and demonstrate the agencies’ commitment to protect the privacy of any personal information collected, stored, retrieved, used and shared. For the PIA related to the Company Portal, see http://files.consumerfinance.gov/f/201303_CFPB_PIA-Consumer-Response-System.pdf.

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While the proposed Boarding Form seeks to gather commercial information generally available to the public, the proposed Boarding Form may request that companies and their representatives provide sensitive information. For instance, some companies may use social security numbers as primary business entity identifiers (e.g., sole proprietorships). While it is likely social security numbers used as business identification numbers may be accessed by the public, company representatives' SSNs will not be disclosed and will be held in an encrypted system for their protection.

12. Estimated Burden of Information Collection

Respondents will include companies that are the subjects of consumer complaints and companies that are service providers of the companies that are the subjects of consumer complaints. Based on current records, CFPB estimates that during the first 5 years of the new company boarding process about 1,500 companies will submit an initial Company Boarding Form each year. We also anticipate sending a revision form to each of these companies on an annual basis. Further, there are currently 3,000 companies boarded (See OMB No. 3170-0042) and CFPB estimates that that on average each company will submit two revisions per year for the 5,000 companies we will have boarded for a total of 10,000 revisions per year.

The CFPB has created a process to allow companies that need to make revisions to do so in an efficient and streamlined manner. If a company needs to make revisions to the Boarding Form, the CFPB will provide it with a completed form, allowing the company to only fill out the sections that need to be revised. This was done to reduce the burden on companies that need to make revisions to the Boarding Form.

Type of Information Collection	Estimated Number of Respondents	Frequency of Response	Estimated Number of Annual Responses	Average Burden Hours per Intake	Estimated Total Annual Burden Hours Requested
Company Portal Boarding Form (Initial Intake)	1,500	1x	1,500	.25	375
Revisions	5,000	2x	10,000	.08	800
Total:	1,500*	//////////	11,500	//////////	1,175

*Companies that submit revision are a subset of those that submitted an initial Company Boarding Form; therefore, the estimated total of annual Respondents is about 1,500.

13. Estimated Total Annual Cost Burden to Respondents

There will be no annualized capital or start-up costs for the respondents to collect and submit this information.

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14. Estimated Cost to the Federal Government

Generally, companies will be provided a copy of the form electronically. Costs may be incurred for printing and mail distribution of the document for approximately 2,500 companies at a cost of \$2.20 per document (i.e., 8 pages, copy costs at \$0.15 per page, and postage is \$1.00), for a total cost of \$5,500.

15. Program Changes or Adjustments

This is a new form; therefore, the entire burden associated with this information collection request is considered a program change.

16. Plans for Tabulation, Statistical Analysis, and Publication

Data collected through the Boarding Form will be analyzed and may be provided in annual reports to be issued by the CFPB to Congress. In particular, under Section 1013(b)(3)(c) of the Dodd-Frank Act, the CFPB provides reports to Congress containing information and analysis about complaint numbers, types, and where applicable, resolution. The CFPB may publish trend reports based on aggregate data in summaries, reports, and briefings. Presentations of analyses may include frequency, classification, and cross-tabulation across consumer financial products or services, demographic and economic characteristics, and financial management behavior.

17. Display of Expiration Date

The expiration dates for OMB approval will be displayed or otherwise provided to respondents for all information collections proposed. Further, the OMB control number and expiration date will be displayed on the Federal government's electronic PRA docket at www.reginfo.gov."

18. Exceptions to the Certification Requirement

The Bureau certifies that this collection of information is consistent with the requirements of 5 C.F.R. §1320.9, and the related provisions of 5 C.F.R. §1320.8(b)(3) and is not seeking an exemption to these certification requirements.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

This information collection does not employ statistical methods. Due to the limitations of the proposed voluntary information collections, most importantly the absence of randomized sample selections, the responses will not be representative of any larger group. Because any

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aggregate results of the proposed information collections will not be statistically valid representations of a larger group, and are not meant to be, statistical methods cannot reduce or improve the accuracy of results.